AGRICULTURAL CREDIT UTILIZATION AMONG SMALL SCALE WOMEN FARMERS IN
SELECTED WARDS OF BIDA LOCAL GOVERNMENT AREA OF NIGER STATE, NIGERIA.

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ABSRTACT
The study investigated agricultural credit utilization among small-scale women
farmers in selected wards of Bida Local Government Area of Niger State. The
specific objectives were to examine small-scale women farmers, to identify the major
sources of credit to small-scale farmers and to determine the benefit (if any) which
small-scale women farmers had derived after acquiring credit for their farm
operations. Data were collected from one hundred respondents randomly selected
from five wards with the aid of interview schedule administered by the researchers.
Statistical tools used for data analysis were parentages, frequency distribution and
student t-test. Up to fifty-six percent (56%) of the respondents claimed that they
obtained their credit from various sources for their farm operations. The results show
that t-calculated (17581) was greater than t-critical (1.9842) at 1% level of
significance. Similarly, a total of 47% of the respondents opined that their farm
produce   increased their income which ranged between N31,000- – N40,000 after
acquiring credit from the Cooperative Bank. It was concluded that small-scale women
farmers' income   had increased   when they had credit facilities from banks
Therefore, it is recommended that banks are monitored regularly to disburse
agricultural loan to women farmers at the appropriate planning season with
reasonable interest charge and that extension agents should ensure that the loan is
utilized for only agricultural purposes.

KEYWORDS: Credit Utilization, Small-Scale Farmers Income Generation, Niger
State.

INTRODUCTION
Agriculture has been the most important sector of Nigerian economy. It employs about 80% of the adult
working population and earns about 60% of the Gross Domestic Product (GDP) of Nigerian economy
(International Food, 2006) This is one of the reasons why the country's economic development policy has
been based on the expansion of peasant agricultural production (Olayemi, 1980). Manfred *et al(1997)*
reported that the most significant constraint to small-scale farmers improving their farm operations was
largely due to restrictions to access credit facilities (Sadoulet and Janury (1995) suggested that farm credit
is not only necessitated by limitations of self-finance, but also by uncertainties pertaining to the level of
output and time lag between input and output. It is from the realization of this critical nature of agriculture
that the Federal Government has come up with the strategy of transforming the economy on improving the
rural agriculture. One of the measures is the establishment of the Nigerian Agricultural, Cooperative and
Rural Development Bank (NACRDB), the single largest development finance institution in Nigeria. Small-
scale women farmers are faced with enormous difficulties in acquiring credit facilities such as late
disbursement of agricultural loans, non-fulfillment of security or collateral requirement necessitated by bad
debts, diversification of funds by the banks management for non-agricultural purposes and inability of the
banks to reach small-scale women farmers at the grass root. One of the major constraints small-scale
farmers are facing in Nigeria is that of inability to access credit facilities for agricultural production. It is
envisaged that when these conditions are improved upon that the value of small-scale women farmers'
income will meet their expectations that will bring about improvement in their standard of living. The
general objective of the study therefore is to examine agricultural credit utilization among small-scale
women farmers in Bida Local Government Area of Niger State, Nigeria.

The specific objectives are (i)   to examine credit utilization among agricultural small-scale women farmers (ii) to identify the major sources of credit to small-scale farmers and (iii) to   examine the benefit if (any) small-scale women farmers had derived from the credit which they (farmers) had obtained for farm operations.

METHODOLOGY
Area of study
This study was conducted in Bida Local Government Area of Niger State within six months which stated from 12th June, 2008 tS 18th November, 2008. The State lies between 3^0 – 20 East and longitude 8^0 and 11^0 – 3 North. The State is bordered to the North by Sokoto State, to Northwest by Kebbi State to the South by Kogi, to the Southwest by Kwara State, while Kaduna and Federal capital territory border the state to the Northeast and Southeast respectively.

Furthermore, the state a common international boundary with the republic of Benin at Babanna in Borgu Local Government Area of Niger State. The state covers a total land area of 83,266,779 square kilometer or about 8.3million hectares, which represents 8% of arable land.

About 85% of the inhabitants are farmers while the remaining 15% engage in other vocations such as white collar jobs manufacturing, business among others. The women farmers cultivate crops like Guinecorn, Maize, Millet, Cowtrea, Cassava, Vegetables to mention a few. The population of the state according to 2006 census figure was about 3,950,249 (NPC,2006).. Niger State is referred to as the "Power" state of the nation because, it houses three hydro electric power stations. They are the Shiroro Hydro-Electric power station, Kanji generating plant and the Jebba Hydro Electric Dam.

The area where this research study was conducted is Bida Local Government Area of Niger State. Bida Local Government is divided into two constituencies namely; Bida North and Bida South constituency. The dominant tribe resident in that area is the Nupe speaking community with very few other community groups.

SAMPLING PROCEDURE AND SAMPLING SIZE
The sampling procedure used in this research work is the purposely random sampling technique. This was to capture a good number of small scale women farmers who had access to credit loan   in the five(5) selected wards of Bida Local Government Area of Niger State. These wards include the following: Bida North constituency, having wadata ward, Masaba A Ward, Masaba B Ward, while Bida South constituency consists of Dokodza ward and Ndajiya Wards respectively.

Total number of farmers in the five selected wards was 234.

Names of Wards	Number of Respondents Selected				
For Masaba Ward	$\frac{30}{234}$	x	$\frac{100}{1}$	=	13 o/o
For Masaba A	$\frac{40}{234}$	x	$\frac{100}{1}$	=	17 o/o
For Masaba B	$\frac{50}{234}$	x	$\frac{100}{1}$	=	21 o/o
For Dokoza	$\frac{54}{234}$	x	$\frac{100}{1}$	=	23 o/o
For Ndajiya	$\frac{60}{234}$	x	$\frac{100}{1}$	=	26 o/o
Total				=	100

MEASUREMENT OF VARIABLES
The socio-economic characteristics of the women farmers include: Age of the farmers, their farm size, educational attainment, house hold size, farming experience. The age of the farmer is going to be measured by asking the farmers at the time of survey what their age was and their level of education, that is, what level of formal education the farmers had, their household sizes that is, the number of people that depended on them for livelihood.

The farm sizes of the farmers will be based on the hectares and the farming experience they had.

The income of small-scale women farmers after acquisition of credit facilities.

METHOD OF DATA COLLECTION
The primary data were collected through personal interview and researchers' personal observation on their interaction with the participating respondents. Secondary data were collected from published and unpublished reports. The entire one hundred interview schedule were returned and used for analysis.

ANALYTICAL TECHNIQUES
The analytical techniques used to carry out the analysis were descriptive statistics like percentages, frequency distribution, and student T – test (Tuckman, 1972)

RESULTS AND DISCUSSION
The analysis of data from interview schedule collected from the field is presented in the Tables indicated 1, 2, 3, 4, 5, 6, and 7 respectively.

Table 1: Percentage Distribution of the Age of the Respondents

Age (Years)	Frequency	Percentage
< 20	14	14.00
21 – 30	26	26.00
31 – 40	46	46.00
41 – 50	12	12.00
51 – 60	2	2.00
60 and above	0	0
Total	100	100

Source: Field Survey, 2008

The results from Table 1 revealed that majority of the respondents (46%) are within the age range 31 – 40, while (26%) said that they were within the ages of 21 – 30 years whereas (14%) of the Respondents claimed that they were below 20 years of age and (12%) of the Respondents were found to belong to the range of 41 – 50 years of age. Only (2%) of the respondents said that they were within the age range of 51 – 60 years. This is an indication that credit are given to young farmers who are willing and ready to work unlike the youth who go in search for white – collar jobs.

Table 2: Educational Attainment of Respondents

Education Attainment	Frequency	Percentage
No formal Education	54	54
Primary Education	31	31
Secondary Education	13	13
Tertiary Education	2	2
Total	100	100

From Table 2, it is revealed that the greater proportion that is (54%) of the sample farmers claimed that they had no formal education while (31%) said that they had obtained primary education. About (13%) of the Respondents had obtained secondary education and only (2%) of the sample farmers said that they had obtained tertiary education. However, the educational level of small – scale farmer contributed to the level of production in terms of adoption of new technologies and ways which inputs should be used on the farm to enhance greater output and farmers entrepreneurial ability.

Apata (1991), reported that educational level determine the quality of skills of farmers, technical competence and how likely it is for him/her to acquire agricultural credit and put into proper usage for better returns.

Table 3: Sources Obtained by Respondents

Source	Frequency	Percentage
Friends/Relatives	7	7
Commercial Banks	2	2
NACRDB	24	24
Cooperative Society	56	56
Contribution	11	11
Total	100	100

Table 3: shows that majority of the respondents (56%) sourced their credit from cooperative b, while (24%) said that they sourced their credit from Nigeria Agricultural cooperatives and Rural Development Bank (NACRDB) and (11%) said they sourced theirs from individual contribution. Some claimed they sourced their credit friends and relatives having a total of (7%) and only two percent (2%) claimed that they obtained there's form commercial bank. This might be due to the problem encountered during loan acquisition from NACRDB such as problem of guarantors and collaterals offered, problem of interest charges by the Commercial Banks that is why most of them source and believed with their contributions (Adeshi) and cooperative society association due to very low or no interest rate charged and flexibility in loan repayment. Ndanitsa (2004) reported that credit has for a long time been accorded or given a place of prominence in Agricultural development efforts. Farmers need to borrow capital to finance agricultural production by purchasing improved variety of seeds fertilizer, agro-chemicals and to hire labour.

Table 4: Extension Agents Intervention in Credit Acquisition by Respondents

Source	Frequency	Percentage
Inform farmers about credit source	18	18
Link the with credit source	15	15
Help in acquiring credit	2	2
Non of the above	55	55
Total	100	100

Source: Field Survey, 2008

Table 4 reveals that, eighteen percent (18%) of the respondents said that extension workers helped to inform them about the source of credit while fifteen percent (15%) claimed that the extension agents linked the respondents to sources of credit for example the NACRDB, NAIC among others. This is in agreement with (Swanson *et al*., 1990) who reported that the percentage of female personnel in agricultural advisory was 11 % in Africa .

The highest population of respondents 55% claimed that extension services were not provided to them. This may be due to the fact that extension personnel scheduling meetings were not convenient to extension work because the respondents were all female.

Table 5: Initial Income of farmers before credit acquisition by respondents.

Income (₦)	Frequency	Percentage
10,000 – 20,000	63	63
21,000 – 30,000	27	27
31,000 – 40,000	6	6
41,000 – 50,000	4	4
51,000 and above	0	0
Total	100	100

Source: Field Survey, 2008

From Table 5, it was reveled that, the greater number of respondents said that before the loan disbursement their income was found to be very low.

Sixty three percent (63%) of the Respondents said they were within the range of N10,000 – N20,000, while twenty seven (27%) claimed that their range fell between N21,000-N30,000 annually and (6%) said their was between N31,000 – N40,000 and four percent (4%) between the range of N41,000 – N50,000 annually. None of them agreed to say their income annually was up to N51,000 and above. The results shows that farmers income was low.

Table 6: Income after Acquisition by Respondents

Output (₦)	Frequency	Percentage
10,000 – 20,000	21	21
21,000 – 30,000	16	16
31,000 – 40,000	47	47
41,000 – 50,000	6	6
51,000 and above	10	10
Total	100	100

Source: Field Survey, 2008

Table 6, reveals that forty seven percent (47%) of respondents income increased with the credit within the range of N31,000 – N40,000 while (21%) said that their income ranged from N10,000 – N20,000 still and (16%) claimed that their income was within the range of N21,000 – N30,000. A total of six percent said that their income ranged between N41,000 – N50,000 and (10%) of them claimed that they generated N50,000 and above annually. This result shows that, with the credit acquisition, the income of farmers had increased.

Table 7: Student t-test analysis indicating income of respondents before and after credit acquisition.

Pair	Mean	Student Deviation	T.D.sig (2failed)
Income before The credit and after	90050	5,219941	17,581

Source computed from field survey 2008, Significant at 0.01

The result from Table 7 reveals that there is significant relationship between the income of farmers before the credit acquisition and after T. calculated (17,581) is greater than t (1.9842) critical at 1% level of significant.

CONCLUSION AND RECOMMENDATIONS
Based on the findings it can be concluded that small-scale farmers who had access to credit facilities benefited from the loan given to them as indicated. Considering the foregoing, therefore it is recommended (i) That small-scale farmers should be encouraged to form economic groups like cooperative society and economic interest associations to enable them enjoy group loans that reduces bank administrative cost of loans. (ii) Government should encourage Bank to disburse agricultural loan to small-scale farmers at appropriate farm operations. (iii) International Finance Organizations and NGOs that seek to promote empowerment of rural communities should encourage rural micro financing to reduce or eliminate poverty especially women among the rural communities in Nigeria. (iv) Women extension agents should be trained adequately in order to assist small-scale farmers to secure loans from financial institutions.

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